

IOWA FINANCE AUTHORITY

# PERFORMANCE REPORT

Performance Results for  
Fiscal Year 2008

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## INTRODUCTION

The Iowa Finance Authority (IFA) is dedicated to financing, administering, advancing and preserving affordable housing and promoting community and economic development for Iowans. Through a variety of programs, IFA improves the quality of life for Iowa's citizens and enhances the economic health of our state and its communities.

The following report illustrates the performance of many of IFA's programs during fiscal year 2008. It does not include information about programs that were inactive during the fiscal year.

Highlights of the report include the following:

- IFA assisted in the distribution of \$20 million to disaster victims through the JumpStart Iowa initiative
- The Single-family loan portfolio exceeded its targeted increase by 30 percent
- The State Revolving Fund had a record-breaking year, tripling investments in Iowa's water
- The Iowa Mortgage Help initiative has received over 12,000 calls and assisted over 3,500 homeowners, the program is a partnership of several organizations
- The state's rental assistance programs aided 394 renters, 44 more people than the target
- The Iowa Council on Homelessness was codified by Senate File 2181, with IFA as its lead agency
- IFA's Title Guaranty Division (TGD) issued 41,460 certificates, covering nearly \$4 billion worth of Iowa real estate
- TGD developed Title Guaranty Commercial Services
- IFA maintained its AA- rating from Standard & Poor's Rating Agency.

### ***IFA Board***

Steve Adams, Red Oak  
Heather Armstrong, Cedar Rapids  
Darlys Baum, Burlington  
Virginia Bordwell, Washington  
Carmela Brown (Treasurer), Urbandale  
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## AGENCY OVERVIEW

The Iowa Finance Authority was established in 1975 with the purpose of advancing affordable housing in the state. Since then, IFA's role has expanded considerably. In addition to funding and administering housing programs that address a range of housing needs, IFA also issues tax-exempt bonds to finance a variety of economic development activities and infrastructure projects. In 1985, IFA's Title Guaranty Division was established.

**Vision:** IFA will improve the quality of life for Iowans by providing affordable housing opportunities and financing community and economic development.

**Mission:** To finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans.

**Guiding Principles:** These core values describe how IFA conducts itself in carrying out its mission:

- Customer Focus
- Results Orientation
- Long-range Thinking
- Data-based Decisions
- Continuous Improvement
- Collaborative Leadership
- Employee Participation
- Financial Responsibility and Integrity

**Core Functions:** IFA performs its mission through the following activities:

*HousingIowa* – Provide opportunities for all Iowans to obtain and maintain safe, affordable and accessible housing.

*Title Guaranty* – Offer a low-cost mechanism to guarantee title to real property in Iowa, working with attorneys, abstractors, and lenders throughout the state to ensure the integrity of the land title transfer system and facilitate transactions in the secondary mortgage market.

*Water Quality Programs* – Provide financing for loans to Iowa communities for clean water and drinking water projects.

*Community Development* – Provide low-cost financing for community and economic development projects.

*Resource Management* – Provide timely and accurate services and infrastructural needs to agency staff, housing partners, and other state agencies economically.

**Programs:** IFA executed its core functions through the following programs and services in FY08:

IFA's *FirstHome* program provides affordable mortgage financing to qualified homebuyers. IFA issues tax-exempt mortgage revenue bonds to fund the program, and mortgage loans are provided to borrowers through more than 400 participating lenders across the state. In FY07, IFA purchased 3,080 *FirstHome* loans totaling \$268 million, including \$124.5 million in *FirstHome Plus* loans. *FirstHome Plus* provides cash assistance of up to \$2500 for down payment and closing costs. In FY08, 1,240 homebuyers took advantage of the *FirstHome Plus* program.

IFA's *OurHome Rehabilitation Program* was launched in 2006 and provides low-interest loan funds for qualified entities to rehabilitate single-family homes in Iowa. The program had a total of \$56,920 in loans in FY08.

IFA's *NewHome Program* provides low-interest loan funds for qualified entities to build affordable single-family homes in Iowa. Applicants include non-profit 501(c)(3) organizations, cities or counties, community housing development organizations, economic development corporations, local housing trust funds and public school or community colleges with a trade class apprenticeship program. A total of \$542,000 was loaned through the program in FY08.

In partnership with the Iowa National Guard, IFA launched the *Military Service Member Homeownership Assistance Program* in March 2005 with a \$1.05 million state allocation. In 2006, the Legislature allocated an additional \$2 million for this program, which provided dollar-for-dollar matching grants up to \$5,000 toward the purchase of a home to military personnel who served or serve on active duty since September 11, 2001. In FY07, the program helped 391 service members buy homes. Iowa is one of only a few states that offer this type of program to its military families.

IFA has served as the tax credit allocating agency for the state of Iowa since 1986, through the *Low Income Housing Tax Credit Program*. The tax credit provides an incentive to developers to construct affordable housing units. These credits provide a dollar-for-dollar reduction to an investor's federal tax liability on ordinary income. The Internal Revenue Service annually allocates tax credits to states based on their populations. In FY08, the total of \$46,969,500 that was allocated in Low-Income Housing Tax Credits will result in the production of 463 affordable rental units.

The *Multifamily Loan Program* seeks to preserve the existing supply of affordable rental units at risk of being lost and to foster the production of new affordable rental units in Iowa. During fiscal year 2008, IFA financed the construction or the acquisition and rehabilitation of 478 affordable housing units through eight projects across the state. The amount of FY08 loans totaled \$9,994,216.

The *State Housing Trust Fund (SHTF)* is held at IFA, and was granted permanent funding by the Legislature in FY08. The initiative allocates funding through two programs. The Local Housing Trust Fund (LHTF) which received 60 percent of the SHTF allocation to provide grants for communities, counties and organizations that wish to create a local housing trust fund. In FY08 16 loans were approved for Local Housing Trust Fund's totaling \$1,942,202. The remaining 40 percent goes to the Project-Based Housing Program that aids the development and rehabilitation of single-family and multifamily housing in areas not covered by a LHTF. The program approved 22 loans in FY08 totaling \$1,711,400.

Since 1996, the *Home and Community Based Rent Subsidy Program* has assisted recipients to live successfully in their own home and can be used until the person becomes eligible for a Housing Choice voucher from the U.S. Department of Housing and Urban Development or any other kind of private or public rent subsidy. IFA has been administering this program since 2005, through a 28E agreement with the Iowa Department of Human Services. In FY08, IFA provided over \$600,000 in subsidies.

The *Aftercare Rent Subsidy Program* provides financial assistance for youth who are aging out of foster care and are participants in the Aftercare Services Program. The program's goal is to teach Iowa youth independence, life skills and responsibilities. IFA began administering this program in 2004 through a 28E agreement with the Iowa Department of Human Services. In FY08 IFA issued over \$660,000 in subsidies.

IFA is the administering agency for the *Iowa Council on Homelessness*. The Council, codified by Senate File 2161 in FY08 is made up of 38 voting members from across the state. In FY08 IFA and the Council reviewed and funded 121 Emergency Shelter Grant (ESG) and Homeless Shelter Operations Grant (HSOG) applications, totaling \$2 million.

IFA holds a performance-based *Section 8 Program* contract with the U.S. Department of Housing and Urban Development to provide oversight of select project-based Section 8 properties in Iowa. The contract covers 238 properties providing affordable housing to 12,080 low-income Iowans in 74 counties.

IFA's *Title Guaranty Division (TGD)* offers low cost title protection for real estate located in Iowa. In FY08, *Title Guaranty* issued 41,460 certificates, covering nearly \$4 billion worth of Iowa real estate. Since its inception, TGD has transferred more than \$41 million to support Iowa's affordable housing programs.

The *Community and Economic Development Loan Program* furthers the development and expansion of business, nonprofit organizations, and housing within Iowa. Since 1982, IFA has issued more than \$3 billion in tax-exempt bonds, the proceeds of which are loaned to borrowers to finance qualified projects. In FY08, IFA provided over \$336 million to 13 projects across the state.

The *Water Quality* division is a core function of the Authority and is one of Iowa's primary sources for financing projects designed to improve the state's water quality. IFA and the Iowa Department of Natural Resources jointly administer the *State Revolving Fund (SRF)*. The fund, capitalized by the U.S. Environmental Protection Agency grants, assists Iowa communities with the costs of upgrading or constructing local wastewater and drinking water infrastructure projects. The SRF tripled investments in Iowa's water in FY08. The SRF's previous average of \$60 million in loan commitments each year soared to \$204 million in FY08.

Approximately 300,000 Iowans will benefit from the 31 Clean Water loans and 26 Drinking Water loans that closed in FY08. Both programs had record-breaking years in FY08. Clean Water loans totaled more than \$112 million, almost twice as much as any previous year. Drinking Water loans totaled a record of \$58 million; the previous high was \$44 million in 2004.

*Planning & Design Loans* are the first choice for many Iowa communities in the early stages of building or repairing water infrastructure facilities. One of the program's advantages is the special terms of 0% interest for up to three years. In FY08, 31 Clean Water Planning and Design

loans were closed totaling \$13,769,800 and 12 Drinking Water Planning and Design loans were closed totaling \$8,001,775.

The *General Non-Point Source Program* assists water quality efforts through low-interest loans. Qualified projects include: restoration of wildlife habitat, stream bank stabilization, urban stormwater management, the remediation of storage tanks, water conservation and reuse and wetland flood prevention areas. Low-interest loans can also be made for the water quality components of other projects, such as municipal landfill closure, brownfield remediation, bird sanctuaries, and urban stormwater. In FY08 five projects were funded through loans totaling \$3,455,259.

The *Onsite Wastewater Assistance Program* (OSWAP) provides assistance to rural homeowners in unincorporated areas of Iowa not served by a public sewer. Homeowners may obtain a low-interest loan through a participating lender for the replacement of inadequate or failing septic systems. According to Iowa law, all septic systems, regardless of when they were installed, must have a secondary wastewater treatment system following the septic tank. The Iowa Department of Natural Resources administers the program in cooperation with County Sanitarians and IFA acts as the financial agent. In FY08 the OSWAP loaned \$965,774 throughout 81 Iowa counties.

The *Livestock Water Quality Program* (LWQ) offers low-interest loans through participating lenders to Iowa livestock producers for projects to prevent, minimize or eliminate non-point source pollution of Iowa's rivers and streams from animal feeding operations. The types of eligible projects include lagoons, manure management structures, equipment, vegetative filters and the development of manure management plans. Assistance is limited to existing facilities for animal feeding operations with less than 1,000 total animal unit capacities. The Iowa Department of Agriculture and Land Stewardship administers the program, and IFA is the financial agent. In FY08 the program awarded \$6,916,791 in loans throughout 39 Iowa counties.

The *Local Water Protection Program* (LWPP) offers low-interest loans through participating lenders to Iowa landowners for projects to control the runoff of sediment, nutrients, pesticides or other non-point source pollutants from entering Iowa waters. The types of eligible projects include composting facilities, contour buffer strips, field borders or windbreaks, filter strips, riparian forest buffers, terraces, grade stabilization structures, grassed waterways or other practices that are shown to improve or protect water quality. The Division of Soil Conservation of the Iowa Department of Agriculture and Land Stewardship administers the program through its local Soil and Water Conservation Districts. IFA acts as the financial agent. In FY08 the LWPP awarded 322 loans for a total of \$5,096,256.

KEY RESULTS

STRATEGIC GOAL

Name: *Issuer Credit Rating*

**Description:** An issuer credit rating analyzes and reflects the agency’s asset base, financial performance, capital adequacy, and management.

**Why we are doing this:** Securing a strong rating opens new doors with securities, lenders, and investors, which will help the agency expand programming.

**What we are doing to achieve results:**

- Managing IFA to the “AA” rating category levels of Standard and Poor’s (S&P).
- Monthly tracking of S&P financial ratios.

Results

Performance Measure:

S&P Issuer Credit Rating

Performance Goal/Target:

Profitably grow IFA’s financial assets (net of fair market value) to 140 percent of FY03 level and achieve and maintain an AA rating.

Ratio	FY03	FY04	FY05	FY06	FY07	FY08
Equity/asset ratio > 15%	19.8%	20%	19.4%	16.4%	14.1%	12.6%
Return on assets ≥ 1%	.97%	.68%	1.35%	1.01%	0.81%	.78%
Loans/asset ratio > 70%	58.2%	62.7%	70.5%	73.3%	79.7%	78.8%

**What was achieved:** Assets have increased to 200 percent of the FY03 level. IFA maintained its AA- rating from Standard and Poor’s (S&P). The AA- rating is in the AA category, one notch below the goal.

**Data Sources:** Iowa Finance Authority and Standard and Poor’s.

**Resources:** IFA is a self-funded public agency. With its nine-member Board of Directors and its employees, IFA is well-positioned to strengthen its efforts on behalf of Iowa’s communities and citizens.



## KEY RESULTS

### CORE FUNCTION

#### Name: *Single-Family Loan Portfolio*

**Description:** The Single-Family Loan Portfolio consists of assets purchased under the *FirstHome* and *FirstHome Plus* Programs and other single-family programs. The *FirstHome* program helps qualified first-time homebuyers obtain a lower-cost mortgage loan. The *FirstHome Plus* program provides assistance with down payment, closing cost or minor repairs to qualified borrowers below 80% of the area median income.

**Why we are doing this:** To provide opportunities for lowans to purchase safe, affordable, and accessible housing, to increase ownership opportunities to underserved populations, and provide sustainable homeownership opportunities.

#### What we're doing to achieve results:

- Increased *FirstHome* advertising and increased marketing efforts to minorities by participating in community events
- Partnered with the Iowa Home Ownership Education Project and HUD to provide home buyer education
- Managed the Military Service Member Homeownership Assistance Program grant funds for the state
- Continue to provide *FirstHome Plus* up to \$2500 as cash assistance to first time home buyers
- Maintain lower-cost mortgage financing to borrowers
- Provide RuralHome down payment and closing cost assistance to homebuyers earning 60% or less of the area median income in rural communities

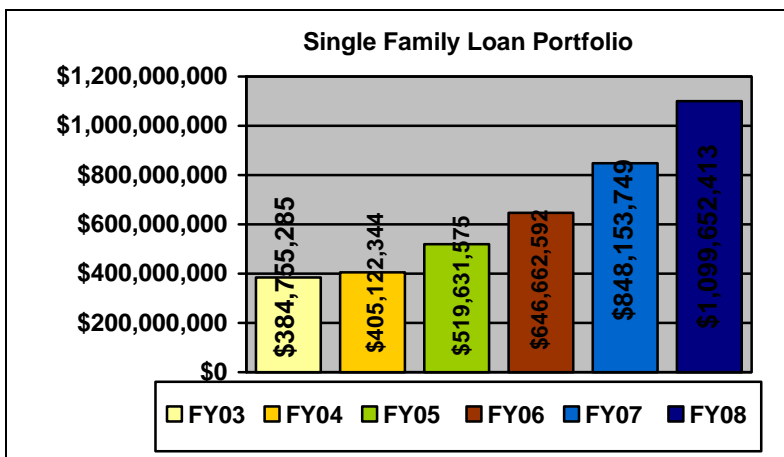
### Results

#### Performance Measure:

Single-Family Loan Portfolio

#### Performance Goal/Target:

Increase portfolio by 10 percent.



**What was achieved:** In FY08 the single-family portfolio surpassed the performance goal, climbing to \$1,099,652,413; an increase of nearly 30%.

More than 2,921 new borrowers benefited from the *FirstHome Programs*, 156 of whom were minorities.

**Data Sources:** Iowa Finance Authority\*

**Resources:** Revenues from the Title Guaranty Division supplement housing programs for first-time homebuyers. IFA has six FTEs working in Single-Family Programs.

## KEY RESULTS

### CORE FUNCTION

**Name:** *Title Guaranty Division (TGD)*

**Description:** IFA provides a low-cost mechanism to guarantee title to real property to ensure the integrity of the land title transfer system and to facilitate transactions in the secondary mortgage market.

**Why we are doing this:** Title guaranty ensures the integrity of the Iowa land title transfer system and facilitates transactions in the secondary mortgage market.

#### What we are doing to achieve results:

- Revised underwriting requirements
- Increased participation in field issuing program
- Created the Title Guaranty Commercial Services to provide reasonably priced title coverage on commercial transactions
- Revised the pricing structure and the elimination of fees for most endorsements and commitments
- Developed a new product for non-purchase (refinance), transactions designed to save time and money for the consumer, and the elimination of the requirement for an appraisal
- Provide free owner's coverage

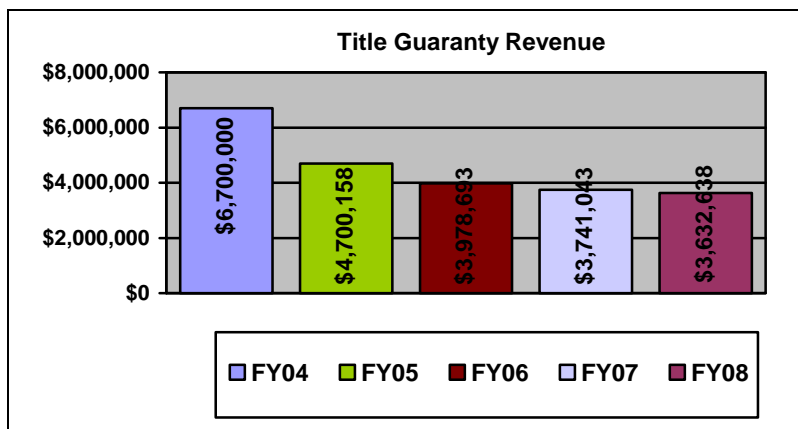
### Results

#### Performance Measure:

Title Guaranty Revenues

#### Performance Goal/Target:

Title Guaranty Revenue



**What was achieved:** In FY08 generated \$3,632,638 in revenue. The Division also increased participation in field issuing program and rolled out Title Guaranty Commercial Services to provide reasonably priced title coverage on commercial transactions.

**Data Sources:** Iowa Finance Authority\*

**Resources:** The Title Guaranty Division is supported by revenues earned by issuing Title Guaranty Certificates. Eighteen FTEs work with lenders, abstractors, and attorneys throughout the state to ensure the integrity of the land title transfer system and to facilitate lender sales to the secondary mortgage market.

KEY RESULTS

CORE FUNCTION

Name: *Water Quality Programs - State Revolving Fund*

**Description:** The State Revolving Fund provides low-cost loans to assist with the costs of infrastructure projects for Clean Water and Drinking Water. IFA operates the program in cooperation with the Department of Natural Resources. The program is funded through capitalization grants from the U.S. Environmental Protection Agency, proceeds of bonds issued by IFA, and loan repayments.

**Why we are doing this:** There is a critical need for low-cost funds to assist communities with financing improvements to their drinking water and wastewater infrastructure.

What we are doing to achieve results:

- Loaned over \$112 million in Clean Water loans, almost twice as much as any previous year; the next highest was \$56 million in 2006.
- Closed \$58 million in Drinking Water loans, also the largest amount ever. The previous high was \$44 million in 2004.
- Closed more than \$40 million in Planning & Design loans since inception
- The SRF program helped to subsidize over \$10 million in loans in FY08. The projects range from repairing failing septic systems to building buffer strips on farmland to helping clean up an urban brownfields. Since FY03, the SRF has loaned over \$35 million for nonpoint source projects that help Iowa's water.
- Rewrote rules, improved application materials and restructured the loan process
- Offering 30-year loans for Clean Water projects

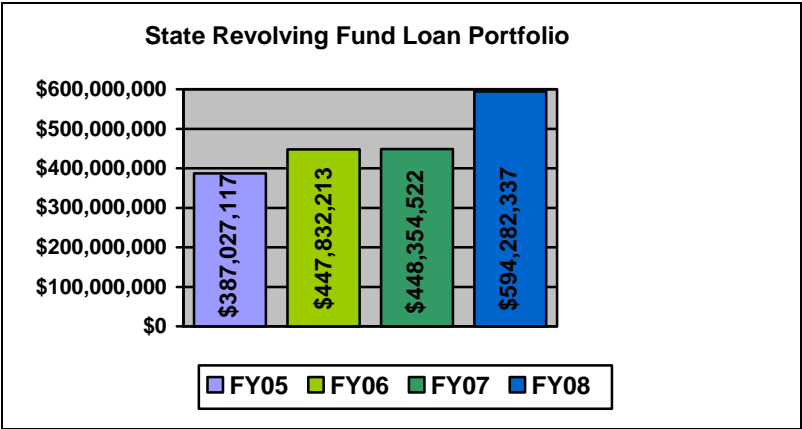
Results

Performance Measure:

State Revolving Fund

Performance Goal/Target:

Increase SRF Portfolio by 5 percent



**What was achieved:** The portfolio increased 18 percent to \$594,282,337 in FY08 compared to the FY07 portfolio value of \$504,541,513. During FY08, 31 Clean Water loans totaling more than \$112 million closed and 26 Drinking Water loans closed totaling more than \$58 million. As a result, more than 300,000 Iowans will benefit from improvements to their drinking water and wastewater infrastructure.

**Data Sources:** Iowa Finance Authority\*

**Resources:** The U.S. Environmental Protection Agency (EPA) annually administers capitalization grants to states for state revolving funds for clean water and drinking water. IFA and the Iowa Department of Natural Resources jointly administer the State Revolving Fund. The program is funded year to year by the EPA capitalization grants, proceeds of bonds issued by IFA, and repayments under the loan agreements to participating public and private water systems. IFA has six FTEs working in SRF.

<b>Name of Agency: Iowa Finance Authority</b>			
<b>Agency Mission: To finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans.</b>			
<b>Core Function: Community Coordination and Development</b>			
<b>Services, Products, Activities:</b> Assist first time home buyers obtain a low-cost mortgage loan for home purchases in Iowa or cash assistance, closing costs or minor repairs.			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Single-Family Loan Portfolio</b>  <b>FirstHome and FirstHome Plus Programs</b>	<b>\$250 million in FirstHome Loan purchases</b>	<b>\$248,378,776</b>	<b>What Occurred:</b> The Single-Family Loan Portfolio made \$248,378,776 in loans.  <b>Data Source:</b> Iowa Finance Authority*
	<b>Serve 3,000 FirstHome borrowers</b>	<b>2,918</b>	<b>What Occurred:</b> 2,918 borrowers were served through the FirstHome and FirstHome Plus programs.  <b>Data Source:</b> Iowa Finance Authority*
	<b>Serve 300 minority FirstHome borrowers</b>	<b>156</b>	<b>What Occurred:</b> 156 of 2,918 FirstHome borrowers were minorities in FY08.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide financial assistance up to \$5,000 for home purchases in Iowa communities for qualified military members			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Military Homeownership Assistance Program</b>	<b>Allocate 100% of \$2 million appropriated funds</b>	<b>100% allocated for a total of \$2,403,968 to 520 grantees</b>	<b>What Occurred:</b> The program allocated 100% of appropriated funds, to exceed the performance goal for a total of \$2,403,968.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide up to \$3,000 for FirstHome down payment/closing cost assistance to home buyers below 60% AMI in communities with populations of 25,000 or less.			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>RuralHome Program</b>	<b>\$210,000 to 70 home buyers</b>	<b>\$117,000 to 39 home buyers</b>	<b>What Occurred:</b> \$117,000 was granted to 39 homebuyers of populations of 25,000 or less in FY08.  <b>Data Source:</b> Iowa Finance Authority*
	<b>Minimum of 10 home buyers below 50% AMI</b>	<b>26 home buyers below 50% AMI</b>	<b>What Occurred:</b> IFA awarded RuralHome grants to 26 homebuyers below 50% AMI in communities with populations less than 25,000.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide a source of funds to local entities for rehabilitation of single family homes through the OurHome Rehabilitation program			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>OurHome Rehabilitation Program</b>	<b>\$2.5 million</b>	<b>\$56,920</b>	<b>What Occurred:</b> \$56,920 was loaned through the OurHome program in FY08.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide loan funds for qualified entities to construct new single-family homes in Iowa communities through the NewHome loan program			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>

<b>NewHome Program</b>	<b>\$2.5 million</b>	<b>\$542,000</b>	<b>What Occurred:</b> IFA awarded \$542,000 in loans through the NewHome program in FY08.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide and maintain housing that is affordable and accessible to low and moderate income Iowans			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Multifamily Loans Closed</b>	<b>\$15 million in loans closed</b>	<b>\$9,994,216</b>	<b>What Occurred:</b> IFA awarded \$9,994,216 in multifamily loans in FY08, creating approximately 500 affordable housing units  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide a source of funds to developers and property owners for the construction and/or rehabilitation of restricted affordable units			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Low-Income Housing Tax Credits (LIHTC)</b>	<b>Develop or preserve 620 multifamily units</b>	<b>799</b>	<b>What Occurred:</b> THE LIHTC Program exceeded the performance goal by the development and preservation of 799 affordable multifamily units in FY08.  <b>Data Source:</b> Iowa Finance Authority*
	<b>Award 100% of tax credits</b>	<b>91%</b>	<b>What Occurred:</b> The IFA Board approved 91% of total tax credits available in FY08  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Monitoring compliance with tax credit regulations by performing compliance reviews and providing tax credit compliance manual			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Low-Income Housing Tax Credit Compliance</b>	<b>Complete 100% of scheduled compliance visits</b>	<b>No compliance visits performed or scheduled, pending completion of LIHTC compliance manual</b>	<b>What Occurred:</b> No compliance visits were scheduled or completed in FY08.  <b>Data Source:</b> Iowa Finance Authority*
	<b>Completion and approval of an updated LIHTC manual</b>	<b>Completed</b>	<b>What Occurred:</b> In FY08 IFA staff developed a LIHTC manual to be used in compliance visits.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Perform as Performance-Based Contract Administrator (PBCA) for the U.S. Department of Housing and Urban Development (HUD) in accordance with the Annual Contribution Contract			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Section 8 Contract Administration</b>	<b>Have 90% of customers served be satisfied with service</b>	<b>92%</b>	<b>What Occurred:</b> IFA earned \$1.748 million in administrative fees and \$873,9855 in incentive fees with no disincentive fees applied in its performance based Section 8 Contract with HUD. The performance based contract with the U.S. Department of Housing & Urban Development currently covers 12,080 units in 74 counties.  <b>Data Source:</b> Iowa Finance Authority*

	<b>Earn 100% of Section 8 payments</b>	<b>100%</b>	<b>What Occurred:</b> All FY08 Section 8 payments were earned
<b>Services, Products, Activities:</b> Provide a temporary rent subsidy for community living opportunities for Medicaid-eligible consumers that would otherwise be living in a medical institution			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Home &amp; Community Based Services Rent Subsidy</b>	<b>Provide rental assistance to an average of 390 persons with appropriated funds of \$700,000</b>	<b>354</b>	<b>What Occurred:</b> In FY08 an average of 354 individuals received rental assistance.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide grants from the State Housing Trust Fund to certified Local Housing Trust Funds (LHTF) and individual projects in areas of the state not affiliated with a local housing trust fund			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>State Housing Trust Fund</b>	<b>Award \$3 million or 100% of appropriated or otherwise available State Housing Trust Fund monies</b>	<b>\$5,115,800</b>	<b>What Occurred:</b> Over \$5 million was awarded through organizations across the state through the State Housing Trust Fund.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Coordinate funding requests for additional homeless shelter beds			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Iowa Council on Homelessness (ICH)</b>	<b>Identify potential funding source and coordinate funding requests with eligible homeless shelter for 100 new shelter beds</b>	<b>106 beds</b>	<b>What Occurred:</b> IFA and the Iowa Council on Homelessness secured funding for 106 new shelter beds across the state.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Process applications for bond cap promptly and process board action to approve conduit bonds			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>State Bond Cap</b>	<b>Maintain 80% market share of the state's community development loans</b>	<b>95%</b>	<b>What Occurred:</b> In FY08 IFA obtained 95% of the state's community development loans.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide a method of releasing mortgages which have been paid in full and no effective release has been filed of record			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
<b>Timeliness of mortgage release</b>	<b>Process mortgage release within 45 days</b>	<b>100%</b>	<b>What Occurred:</b> 100 percent of the mortgage releases processed in FY08 were completed within 45 days.

			<b>Data Source:</b> Title Guaranty Division
<b>Services, Products, Activities:</b> Provide revenue to housing programs			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Revenue transferred	\$2 million	\$1,623,000	<b>What Occurred:</b> The Title Guaranty Division transferred \$1,623,000 in revenue to affordable housing programs.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Increase percentage of Title Guaranty Certificates issued on file			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Title Guaranty	Obtain 80% of certificates issued by abstractors and attorneys	69%	<b>What Occurred:</b> In FY08 Title Guaranty Division transferred 69% of certificates issued by abstractors and attorneys.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Assist communities with the costs of upgrading or constructing local waste water projects			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Revolving Fund (SRF) Clean Water	Maintain 80% of market share of SRF clean water-eligible loans	80.55%	<b>What Occurred:</b> The SRF captured 80.55% of the market share for SRF eligible clean water loans in FY08.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Assist communities with the costs of upgrading or constructing local drinking water projects			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
State Revolving Fund (SRF) Drinking Water	Maintain 80% market share of SRF drinking water eligible loans	81%	<b>What Occurred:</b> The SRF captured 81% of the market share for SRF eligible drinking water loans in FY08.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide loans to cover costs incurred in the planning and design phase of a proposed water infrastructure project. These loans will have 0% interest for up to three years with no initiation or servicing fees			
<b>Performance Measure</b>	<b>Performance Target</b>	<b>Performance Actual</b>	<b>Performance Comments &amp; Analysis</b>
Planning & Design Loans	Approve \$25 million in planning & design loans	\$23,140,825	<b>What Occurred:</b> 43 planning & Design loans were awarded in FY08 for a total of 423,140,825.  <b>Data Source:</b> Iowa Finance Authority*
Infrastructure Grants	\$4 million in appropriated funds	\$7,820,545	<b>What Occurred:</b> IFA awarded \$7,820,545 in infrastructure grants in FY08, greatly exceeding the performance goal.  <b>Data Source:</b> Iowa Finance Authority*
Non-Point Source Loans	\$5 million in Local Water Protection Program (LWPP)	\$5,096,256	<b>What Occurred:</b> In FY08 the LWPP Program exceeded the performance goal with \$5,096,256 in loans.  <b>Data Source:</b> Iowa Finance Authority*
	\$3 million in Livestock Water Quality (LWQ)	\$6,916,791	<b>What Occurred:</b> The LWQ Program awarded \$6,916,791 to farmers for water quality projects throughout the state.  <b>Data Source:</b> Iowa Finance Authority*
	\$5 million in General Non-	\$3,455,259	<b>What Occurred:</b> In FY08 IFA awarded \$3,455,259 in GNP loans.

	Point (GNP)		<b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Provide timely and accurate services and infrastructural needs to agency staff, housing partners, and other state agencies economically			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
Internal Customer Satisfaction Survey	90%	97%	<b>What Occurred:</b> 97% of IFA stakeholders were satisfied with IFA's services.  <b>Data Source:</b> Iowa Finance Authority*
<b>Services, Products, Activities:</b> Efficient management of IFA's assets; financial, physical and human to maximize financial leverage, and minimize costs for maximum impact on mission			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
S&P Issuer Credit Rating (ICR)	AA Rating	AA-	<b>What Occurred:</b> Standard and Poor's confirmed IFA's AA- rating.  <b>Data Source:</b> Standard and Poor's
Timeliness of financial reporting	Board and financial reports completed by due dates	100%	<b>What Occurred:</b> All financial reports were prepared timely.  <b>Data Source:</b> Iowa Finance Authority Accounting Department
Availability of technological resources	99% availability of network devices, including PC's, printers and servers, along with email and internet access	99+%	<b>What Occurred:</b> 99 percent of the time the network, devices, PCs, printers and servers were available to IFA staff.  <b>Data Source:</b> Iowa Finance Authority Information Technology Department
Timeliness of performance evaluations	100% of performance evaluations given within prescribed timeframes	63%	<b>What Occurred:</b> 63% of performance evaluations completed timely.  <b>Data Source:</b> Iowa Finance Authority Human Resource Department
Organization support and services satisfaction	Overall 90% satisfaction	96%	<b>What Occurred:</b> IFA exceeded the organizational support and services satisfaction goal, with obtaining 96%.  <b>Data Source:</b> Iowa Finance Authority*

\*IFA's financial statements have been audited by KPMG LLP, an independent auditor



## RESOURCE REALLOCATIONS

There are no material reallocations of personnel or resources to report in FY08.

## AGENCY CONTACTS

Copies of the Iowa Finance Authority's Annual Performance Report are available on the ResultsIowa.org website at [www.resultsiowa.org/iafinance.html](http://www.resultsiowa.org/iafinance.html) or [www.dom.state.ia.us/planning\\_performance/reports.html](http://www.dom.state.ia.us/planning_performance/reports.html). Copies of the report can also be requested through Joseph Jones at 515-725-4974 or [Joseph.Jones@iowa.gov](mailto:Joseph.Jones@iowa.gov).

Iowa Finance Authority  
2015 Grand Avenue  
Des Moines, IA 50312

515/725-4900  
800/432-7230 (toll free)  
515/725-4901 (fax)

[www.IowaFinanceAuthority.gov](http://www.IowaFinanceAuthority.gov)